

**CITY COUNCIL PROCEEDINGS**  
**BEMIDJI, MINNESOTA**  
**Regular Meeting/Work Session – January 20, 2009**

Pursuant to due call and notice, a regular meeting/work session of the City Council of the City of Bemidji, Beltrami County, Minnesota, was held on Tuesday, January 20, 2009, at 5:30 p.m. in the Conference Room of City Hall, Mayor Lehmann presiding.

Upon roll call, the following Councilmembers were declared present: Lehmann, Johnson, Waldhausen, Meuers, Negard, Hellquist. Absent: Downs.

Others Present: BSU Representative – Bill Maki; MnSCU Director of Real Estate – Greg Ewig

Staff Present: City Manager John Chattin, City Attorney Alan Felix, Finance Director Ron Eischens, City Clerk Kay Murphy

Mayor Lehmann stated that the purpose of the work session was to review the proposed lease agreement between the City and Bemidji State University/MnSCU for the Bemidji Regional Event Center.

City Attorney Felix reviewed the lease stating that it not only has to satisfy the Council but BSU, DEED and the Department of Finance. DEED and the Department of Finance have reviewed the document and had one minor change regarding the renewal terms. Felix stated that the renewal terms have been deleted. It is the City's intent to have the document signed off by all parties before the Council's January 26 meeting.

Greg Ewig, Director of Real Estate for MnSCU, provided a "Summary of Lease Terms". The base rent will be \$190,000/year minimum (charge based on home games), or if the men's hockey program is discontinued BSU will pay \$230,000 annually and use the facility for commencements, office uses, training facilities and other university sponsored events. Additional costs to be paid by the University include game day expenses, such as public address announcer, scorekeeper, security for game days, and staff for retail kiosks. All operating expenses paid by City (utilities, repairs and maintenance).

Council discussed the following:

- The hockey program and base pay includes men's and women's programs.
- Who pays for safety and security on game days? Maki stated that it depends on who operates the BREC as to what BSU decides to do for security.
- Other uses of the BREC, i.e., commencements would be above and beyond the lease with BSU.

Negard commented that the rent seemed low in comparison to what BSU pays to operate the John Glas Fieldhouse arena.

Chattin responded that the lease was designed to be a "win-win" and that the city can expect between \$230,000 to \$250,000 annually with the base rent and other related revenue generated by BSU's use of the facility.

Felix stated that there will be a periodic review of the lease by the City and BSU. This will be helpful for BSU if they need to satisfy any requirements to get into the WCHA.

Meuers asked how the program and the events center could be affected if it is allowed to enter into the WCHA.

Maki stated that the WCHA has lifted their moratorium which gives BSU the opportunity to apply for admittance and BSU will apply in April.

Chattin stated that revenues could be increased if admittance into the WCHA is granted since attendance and demand would increase. He commented that it is in both the City's and BSU's interest for BSU to be admitted into the WCHA.

Discussion continued regarding scheduling other events at the BREC during the winter months. Maki noted that as long as it does not conflict with the BSU's home game

schedule, the BREC can be scheduled for other events as the hockey team could find alternate practice ice.

Hellquist asked if the opposing teams were charged for practicing on the ice. Maki replied that this is part of the game day activities and included in the BSU lease.

Discussion continued on responsibility of damage to locker room. It was noted that BSU is responsible and would recoup expenses from the opposing team (Section 17d of lease).

Chattin stated that he and Felix worked 100% for the City and felt that the lease developed is in the City's best interest.

Mr. Ewig stated that if for whatever reason there was a financial shortfall, there are steps that can be taken and BSU can ask MnSCU to pay those charges on its behalf. If MnSCU does not have the funds, the request would be made to the legislature.

Mayor Lehmann commented that he felt this was a workable agreement with BSU.

**ADJOURN**

There being no further business, motion by Negard, seconded by Hellquist, to adjourn the meeting. Motion carried. Meeting adjourned at 6:49 p.m.

Respectfully submitted,



Kay M. Murphy  
City Clerk